
MEMORANDUM

TO: Members of the Mercer Island City Council

FROM: Mickey Fearn, Synapse
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RE: Minutes from the 2001 City Council Retreat

DATE: June 6, 2001

FRIDAY, MARCH 30, 2001

Personal Mission Statements

During their dinner meeting on Friday evening, Councilmembers had an opportunity to share, and respond to questions regarding, a 40-word statement each had prepared in advance about their personal missions.

Discussion centered on the following questions:

- ◆ What is your personal mission statement?
- ◆ What inspired you to engagement in public service?
- ◆ What was the defining moment of your life that had the greatest impact on your philosophy and views?
- ◆ What do you want most from your life?

Citizen of the Year

The year 2000 "Citizen of the Year" was selected. Additionally, a new criteria for "Citizen of the Year" selection was suggested and accepted. As a result of the new criteria, no elected official in office or known to be a candidate for elective office may receive the award.

SATURDAY, MARCH 31, 2001

The Council's Retreat Agenda

In response to a question raised by Councilmember Blake there was a short

discussion regarding whether or not to modify the agenda in order to dedicate additional time to the issue of affordable housing. It was the consensus of the Council that affordable housing could be taken up in another work venue, possibly a mini-retreat, separate from regular council meetings. The Council identified the issue as one to be added to the Sunday morning discussion of the Council's work plan.

Council Priorities

The Council's discussion began with the Facilitator's written questions:

- What would you like to accomplish for the citizens of Mercer Island?
- What is your major priority? Why?
- What is the role of the Council?
- How will you know when you are successful?

The Council identified a number of priority issues including fire staffing and emergency medical services, affordable housing, zoning code issues, downtown parking and public transit, trees, youth recreation programs and adding parks and open space. Councilmembers went on to discuss the importance of basic city services and costs, specifically police and fire services and road maintenance. Tax relief and allocation of the \$2 million capital reserve were also mentioned as high priorities.

The Council finished the discussion with consideration of the difference between the top priorities of City Government and how the Mercer Island City Council wishes to design its workplan. The Council's limited number of meetings and the staff's limited resources were identified as reasons for the Council to find "those things that are broken and determine in which order they should be fixed".

Review of the 2000 Council Retreat Priorities, Outcomes, and Successes

Mayor Alan Merkle and City Manager Rich Conrad reviewed the priorities and agreements established by the Council at the previous year's retreat, and provided a short update regarding the City's progress on each issue since then.

Trees and Natural Resources

Last year (2000) the Council focused on definitional issues pertaining to the interim tree ordinance. Since then, the Council has chosen to withhold any decisions to modify the interim ordinance and move toward a major re-drafting of the City's tree regulations. At present, we are close to adopting a new 'tree ordinance', following a complete re-write of the old one. Other tree and natural resource issues currently before the Council include the Pioneer Park

Reforestation Program and the changes in the budget for parks and open space and right of way tree maintenance.

The Community Center

At last year's retreat the Community Center was not considered a top Council priority. Over the course of the year, however, the Council re-prioritized the center as it became a much more important issue moving at a much faster pace. The project now has the following elements: a work program and timeline, a data-collection phase, a citizen survey component and an alternative site planning component.

Parking and the Central Business District

We have continued to work with the Council's CBD Committee (as agreed to at the last retreat) to establish City strategies and direction. This year we expect to reach an agreement with Sound Transit on the site, configuration, mitigation and numbers of stalls designated as "Mercer Island-only" parking.

Fiscal Choices and Service Priorities

Since last year's retreat, the Council has adopted a balanced budget, adopted a 2% property tax increase, and undertaken new initiatives around tree and natural resource issues. Fire level of services continues to be an important issue.

Citizen Involvement

The City staff and Council have worked to improve the quality of citizen involvement. The staff is midway through the development of an E-Government strategic plan; leading a reconstruction of the City's website. The City is also participating in a King County Cities E-Government Alliance toward a regional coordination of online services. Also, joint Council / School Board meetings have been conducted, and a work program has been established for the Planning and Design Commissions.

Council Process

"Process is the portal by which the Council implements its vision."

The Facilitator began the discussion by posing a series of written questions to Council around how the Council interacts with:

- ◆ Each other?
- ◆ City Staff?
- ◆ Citizens?

The Council engaged in a long discussion related to all facets of Council process. Questions, issues and proposals discussed included: the Mayor's facilitative style, receiving agenda packets further in advance of meeting, implementing a 1st

reading/2nd reading agenda format, use of mini-retreats as a way to have extended discussions on single subjects, frustration over the length of Council meetings, frustration over “grandstanding”, Council being too involved in staff work, and the need to allow staff the chance to assess the workload impacts of Council actions.

The City Manager described the impact Council behavior has on staff including during Council meetings and in terms of pace and complexity of council work expectations. He pointed out that the size of the City’s staff conducting policy work is small and that some staff are considering leaving. The issue is not about the ability of staff to conduct the work, it is more about the pace and urgency of the Council. Adding staff would assist in meeting the pace expectations.

The Facilitator urged the Council to consider how they can achieve a “Critical Alignment of the Organization” including Council, Executive Staff and City Staff particularly as they relate to the public. Councilmembers acknowledged that citizens have different urgency levels and that they need to know what the Council is doing. There also was an acknowledgement that Council process is a valued “product” in the eyes of the citizens. The Facilitator pointed out that the community is “entitled to: access, quality, value, stewardship, responsiveness, accountability.”

The Facilitator and Council also discussed the nature of staff responsibilities including three types of staff work:

- ◆ Invisible work – ongoing internal work that Council never directly sees;
- ◆ Routine work – ongoing services/work, predictable,
- ◆ Added work - new priorities from council, low tolerance to absorb, not predictable.

In turn, it was pointed out that the Council itself has talents and abilities and should not be minimized in its capacity to move issues forward.

After considerable discussion the Council arrived at the following agreements:

Agreements - Council Meetings

- ◆ The Mayor’s facilitative style is appropriate and valued.
- ◆ It’s OK for meetings to be long, as long as we are moving forward and getting the work done. There is much learning that occurs in the meetings.
- ◆ The Agenda packet process and timing is adequate and need not change.
- ◆ The Council will not use a 1st reading/2nd reading format for now.
- ◆ The Council will use mini-retreats, committees, sub-committees and study sessions more often – however the Council acknowledges (and wishes to minimize) that those forums create more work for staff.
- ◆ The Council will conduct 2-3 “mini-retreats” on specific subjects each year.

- ◆ The Council will maintain “a level” of public deliberation.

Agreements - Interactions with Staff

- ◆ In asking questions of staff, Councilmembers will not change the staff’s work program. No one councilmember will create major work tasks for the staff.
- ◆ The City Manager should feel free to control the staff’s work priorities vis a vis the Council’s work/information requests.
- ◆ The City Manager and Assistant City Manager should identify the psychic and fiscal impacts of Council work requests.
- ◆ Council should not deal directly with staff below the department head level.

The Mayor summarized by saying:

1. The Council needs to understand the impacts upon staff of its priorities and agendas;
2. If the Council collectively agrees on something, it needs to ask staff how long it will take to complete and the Council should avoid accelerating so much that it puts too much demand on staff;
3. It is a legitimate discussion - if the Council has too fast a pace, the Council may need to support the hiring of another person.

[The Council took a lunch break during which time they chose to not have a discussion concerning Public Process but instead to devote additional time to the afternoon topics of specific issues and priority setting.]

The Issues

An Exercise – The Facilitator prepared the Council for a priority-setting exercise by asking the following written questions:

Government exists for several commonly accepted reasons. To:

- Protect the lives, property, and rights of citizens
- Protect the environment so that it server aesthetics, business, and enrichment
- Minimize suffering with out creating entitlement
- Enrich the lives of citizens
- Promote and insure the economic vitality of the City
- Create and sustain community, pride, and civility

If you had \$100 how would you allocate our funds to these functions?

Councilmember Responses:

Sven: Roads, utility services, fire, police – 70%

30% - Places we could talk about – aside from school issue.

- Bryan: 60% Protection of lives and citizens; public safety.
20% Protecting the environment
5% Life enrichment
- Susan: 40% Protection of lives and citizens, public safety
12% Development services; protecting the environment
38% Divided among the rest; priorities change over time
- Judy 60% Protection of lives, property and rights of citizens &
Protection of the environment
- Dan Pass
- EI Have views about what government should or shouldn't do;
shouldn't compete with the private sector/non-profits (i.e. providing
services that can be and are provided by the private sector – i.e.
community center)

Discussion of the Capital Reserve Fund

The Assistant City Manager presented a status report on the City's Capital Reserve Fund, other City fund balances, Real Estate Excise Tax (REET) receipts and City funding tools. The Capital Reserve Fund currently contains slightly over \$4.5 million supplied by past Council decisions to earmark unanticipated General Fund (sales tax and permitting fees) and CIP Fund (Real Estate Excise Taxes) revenues for future allocation to needed capital projects or other fiscal priorities. It was also pointed out that the Beautification Fund currently contained approximately \$500,000

The Assistant City Manager continued with a presentation of fifteen currently unfunded projects or areas where the Council could allocate City funds¹. The Council then conducted a prioritization exercise that yielded a consensus on funds allocation. The chart on the following page summarizes the Council consensus.

¹ A complete description of the fifteen projects or actions along with their scope, estimated costs, timing and potential sources of funding is included in the 2001 Council Retreat Notebook and is available for review by contacting the Mercer Island City Clerk's Office.

Capital Reserve Fund Consensus Allocation Agreement

Project or Area for Allocation	Funds Allocated	Funds Source
Park & Ride Lot	\$ 500,000	Beautification
Community Center	\$ 1,000,000	Capital Reserve
Property Tax Reduction	\$ 540,000	Capital Reserve
Mercer View Property Acquisition/Refinance		
Open Space Acquisition	To be determined	Capital Reserve
Pioneer Park Improvements	\$ 500,000	Capital Reserve
Restroom at West Lid		
Homestead Field Renovation	\$ 500,000	Capital Reserve
Upgrade School District Ball Fields	\$ 500,000	Capital Reserve
Bicycle Pullouts		
Guardrails		
Repair Earthquake Damage		
Formal Storm Drainage in Streets		
New Water Reservoir		
New Fire Apparatus		
South Fire Station		

Additional Council Direction:

- The property tax reduction allocation is predicated on a three year schedule of transfers to the City Bond Fund thereby relieving the City's need to impose an excess levy (voted bond levy) on local taxpayers. The Council's preferred schedule is:

Year	Amount
2002	\$270,000
2003	\$135,000
2004	\$135,000

The intent of the reduction is to offset an approximate 2% annual increase of the regular property tax levy for the years 2001, 2002, 2003 and 2004 producing a net 0% local property increase.

2. Open Space Acquisition is a priority, although no specific amount has been allocated for expenditure. Staff is instructed to continue to pursue existing open space acquisition opportunities to completion. Future acquisition opportunities will be considered as they are developed. The Council's preferred source of funds is the Capital Reserve Fund.
3. All other unallocated capital Reserve Funds should remain in an unallocated status. The Council will, on an ongoing basis, discuss and determine which projects or actions they choose to support from the fund.

Council Priorities

Following the Capital reserve Discussion, the Council engaged in a very specific issue priority-setting exercise. After identifying the range of new initiatives or issues the Council would want to consider, the Councilmembers collectively prioritized the list as follows:

1. Park and Ride Lot – local implications
2. Housing Scale – First Hill; non-conforming lots
3. Parking Requirements – Change of Use in Downtown Properties
4. Homestead Field Renovations
5. Tree Maintenance
6. Veterans Memorial
7. Affordable Housing
8. Youth Programs

Parking and Transportation

The Council took up the discussion of the proposed Park and Ride Lot, its location and its impacts on the downtown and surrounding neighborhoods. A number of issues surfaced including which to do first – identify and implement mitigations and parking controls in the neighborhoods north of the P&R lot or to proceed with firm development proposals and environmental review with Sound Transit for a new parking structure.

Agreements

The Council also discussed the importance of zoning code changes that require CBD property owners to respond when uses of the property change from lower to higher parking demand uses. The Council asked to staff to include proposed zoning amendments in the staff work plan.

Following an already scheduled meeting with the CBD Committee, the Council also agreed to continue to formulate direction at the full Council level on the next

steps via recommendations from the CBD Committee. Recommendations are to be reported back to the Council during the first week in May.

Fire Division – Level of Service

The Council discussed a proposal from the Public Safety Director to start a fire level of service analysis with an outside audit of the entire Fire Division including staffing, services, costs, etc. The Council expressed concern over the rising costs of fire and medical aid services but felt constrained in how to make a positive difference. Ideas such as charging on a per call basis, separating fire and medical aid services and closing the south fire station were all suggested as things to consider. Concern was expressed that the audit data would not change the fundamental problems of service and cost, nor would it lead to a change in Council policy.

The Public Safety Director pointed out that the regional EMS levy would be coming up on the November, 2001 ballot and that the Council would need a briefing next fall on the specifics of the levy and its impacts on and connection to local emergency medical services.

Agreement

The Council decided to wait until the regional EMS levy issue comes before them. If it is still a Council interest, the Council will revisit fire level of service after the levy discussion.

Trees and Tree Ordinance

The Council devoted its time to discussing and identifying the process steps necessary to bring the proposed tree ordinance to final adoption and implementation. Issues of formatting, public education, public notification and Planning Commission review were brought up in the discussion.

Agreement

The Council identified the following sequence and process for the proposed tree ordinance:

Draft Ordinance → Planning Commission → Public Process → Revised Draft → City Council (public process) → Revision → Adoption → Education

Public education materials that contained “scenarios, summaries and flow charts” are to be created and be available at the Planning Commission step in the process. Interested citizens are to be notified of the public process by mail.

Community Center

The Council focused on how to proceed with the broader community facilities planning process and to move forward with the Mayor's recently created Task Force of community agencies' Boards of Directors. The Council indicated its continued interest in forging partnerships and building trust among the partners. The Council sees a challenge in working with the schools given their decision making pace and educational mission, and wishes to identify and capitalize on where the partners individual visions intersect.

Agreement

The City should proceed with the creation of the steering group of the Boards of Directors of the partnering organizations. The steering group, once formed, should proceed with the selection of a master planning consultant to undertake more detailed feasibility testing and alternative analysis of the facilities, functions and services to be accommodated.

Affordable Housing

The Council discussed affordable housing issues in terms of two questions:

1. What are we doing to address the housing needs of older citizens, starter families, public employees and the community's original residents?; and,
2. How do we address our concerns in the face of market forces?

The discussion included concerns about the loss of older, small and more affordable homes in the First Hill and east Seattle neighborhoods. The Council re-emphasized its priority for better understanding the issues involved in the development trends of these neighborhoods.

Agreement

The Council decided to conduct one "mini-retreat" about affordable housing issues in 2001.

Conclusion and Adjournment

The Mayor concluded the retreat at approximately 12 noon on Sunday thanking the members of the Council and staff for their hard work, dedication and commitment to the City and City Council.